

HOUSE BILL No. 2010

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-5-39.

Synopsis: Sales tax moratorium. Provides a sales tax exemption for clothing priced less than \$50 and purchased in the first week of August in a state fiscal year following a state fiscal year in which the state surplus exceeds \$1,000,000,000.

Effective: July 1, 1999.

Turner

January 27, 1999, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 2010

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-2.5-5-39 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 1999]: **Sec. 39. (a) As used in this section, "clothing" means a**
4 **garment intended to be worn on the human body, including**
5 **footwear. The term does not include the following:**

- 6 (1) A watch.
- 7 (2) Jewelry.
- 8 (3) A handbag.
- 9 (4) An umbrella.
- 10 (5) A scarf.
- 11 (6) A tie.
- 12 (7) A headband.
- 13 (8) A belt buckle.
- 14 (9) A handkerchief.

15 **(b) This section applies to transactions occurring after July 31**
16 **and before August 8 in a state fiscal year following a fiscal year in**
17 **which the state surplus exceeds one billion dollars (\$1,000,000,000).**

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IN 2010—LS 8013/DI 92+



1 (c) Sales of clothing priced less than fifty dollars (\$50) are
2 exempt from the state gross retail tax. The exemption provided
3 under this section applies to each article of clothing purchased in
4 the period described in subsection (b).

5 (d) The amount of gross retail tax imposed upon a purchase of
6 clothing priced at least fifty dollars (\$50) is computed under
7 IC 6-2.5-2 without regard to the exemption provided under this
8 section.

9 (e) The department of state revenue shall publish notice of the
10 exemption provided under this section in the Indiana Register
11 before July 15 of each year that the exemption applies. The
12 department may promote and publicize the exemption to
13 encourage consumers to shop at Indiana retailers.

14 (f) The department shall adopt rules under IC 4-22-2 to
15 implement this section.

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